

**CHAPTER NO. 153**

**SENATE BILL NO. 1098**

**By Haynes**

Substituted for: House Bill No. 810

By Arriola

AN ACT To amend Tennessee Code Annotated, Section 66-28-104 and Section 66-28-301, relative to rental property.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-28-104(12)(A), is amended by deleting the language "; and", and by substituting instead the language "and any monetary damage due to tenant's breach of the rental agreement; and".

SECTION 2. Tennessee Code Annotated, Section 66-28-104(12)(B), is amended by deleting the language "does not include" and by substituting instead the language "is".

SECTION 3. Tennessee Code Annotated, Section 66-28-104, is amended by adding the following language as an appropriately designated subdivision:

(C) "Security Deposit" shall in no way infer that the landlord is providing any service for the personal protection or safety of the tenant beyond that prescribed by law.

SECTION 4. Tennessee Code Annotated, Section 66-28-301(e), is amended by deleting the subsection in its entirety and by substituting instead the following:

(e) Should a tenant vacate the premises with unpaid rent or other amounts due and owing the landlord may remove the deposit from the account and apply the monies to the unpaid debt.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 25, 2001

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 3<sup>rd</sup> day of May 2001

  
DON SUNDQUIST, GOVERNOR